List of Exhibits - Sierra Club's Motion for Summary Judgment and Memorandum in Support of Motion - IPSC

- 1. Unit 3 Approval Order (AR IPSC 4331)
- 2. Final Preliminary Index to Administrative Record
- 3. IPP Response to Public Comments (Incl AR IPSC 3891)
- 4. Milka memo responding to comments (AR 4297)
- 5. August 4, 2006 UAMPS letter (AR IPSC 4473)
- 6. August 17, 2006 DAQ approval letter (AR IPSC 4478)
- 7. Sierra Club First Am Req for A A (AR IPSC 4496)
- 8. Koucky Declaration
- EPA Doc
- 10. Thompson Declaration

# EXHIBIT 1



State of Utah

## Department of Environmental Quality

Danne R. Nielson, Ph.D. Executive Director

DIVISION OF AJR QUALITY
Richard W Sprott
Director

OLENE S WALKER

GOVERNOF

GAYLE F McKEACHNIE

Lseutenant Governor

DAQE-AN0327010-04\*

October 15, 2004\*

George W. Cross Internountain Power Service Corporation 850 West Brush Wellman Road Delta, Utah 84624-9522

Dear Mr. Cross:

Re:

Approval Order: PSD Major Modification to Add New Unit 3 at Intermountain Power Generating Station, Millard County, Utah CDS-A, ATT, NSPS, HAPs, MACT, Title IV, Title V

Major. Project Code: N0327-010

The attached document is the Approval Order (AO) for the above-referenced project.

Future correspondence on this Approval Order should include the engineer's name as well as the DAQE number as shown on the upper right-hand corner of this letter. Please direct any technical questions you may have on this project to Ms. Milka M. Radulovic. She may be reached at (801) 536-4232.

Sincerely,

Richard W. Sprott, Executive Secretary Utah Air Quality Board

RWS: MR:jc

cer

Central Utah Public Health Department

Mike Owens, EPA Region VIII

\*On November 12, 2004, IPSC petitioned the Utah Air Quality Board for review of Condition 24 in the Approval Order DAQE AN0327-04 (AO) dated October 15, 2004, that was issued to IPSC to add new Unit 3. Settlement negotiations took place between UDAQ and IPSC, resulting in a Joint Stipulation. The Approval Order incorporates the terms of the Joint Stipulation, which was approved by Order of the Air Quality Board on September 7, 2005.



## STATE OF UTAH

# Department of Environmental Quality

# Division of Air Quality

# APPROVAL ORDER: PSD MAJOR MODIFICATION TO ADD NEW UNIT 3 AT INTERMOUNTAIN POWER GENERATING STATION

Prepared By: Milka M. Radulovic, Engineer (801) 536-4232 Email: milkar@utah.gov

#### APPROVAL ORDER NUMBER

DAQE-AN0327010-04

Date: October 15, 2004

Intermountain Power Service Corporation Source Contact George Cross (435) 864-4414

> Richard W. Sprott Executive Secretary Utah Air Quality Board

#### Abstract

On November 12, 2004, IPSC petitioned the Utah Air Quality Board for review of Condition 24 in the Approval Order DAQE AN0327-04 (AO) dated October 15, 2004, that was issued to IPSC to add new Unit 3. Settlement negotiations took place between UDAQ and IPSC, resulting in a Joint Stipulation. The Approval Order incorporates the terms of the Joint Stipulation, which was approved by Order of the Air Quality Board on September 7, 2005.

Intermountain Power Service Corporation (IPSC) currently operates the Intermountain Power Plant (IPP) located near the town of Delta, Utah. The existing plant has two drum-type, pulverized coal (PC)-fired boilers that provide steam to two power-generating units, designated as Unit 1 and Unit 2, each with nominal gross capacity of 950 MW. The Intermountain Power Service Corporation (IPSC) submitted a Notice of Intent to expand the IPP facility by adding one additional base load pulverized coal fired electricity generating Unit 3, designed at nominal 950-gross MW (900-net MW) with a dry bottom, tangentially fired or wall-fired boiler and associated equipment. The Unit 3 boiler will be equipped with wet flue gas desulphurization (WFGD), selective catalytic reduction (SCR), and baghouses for control of the various emissions.

This project is a major modification for the Prevention of Significant Deterioration (PSD) regulations. On site meteorological monitoring, air dispersion modeling, air quality impacts analysis including visibility and PSD class I and II impacts analysis, non-attainment boundary impact analysis, and a complete top-down Best Available Control Technology (BACT) review were completed and submitted by the IPSC as a part of their Notice of Intent (NOI). Also, an application for case-by-case maximum achievable control technology (MACT) determination for hazardous air pollutants (HAPs) was provided as a part of the NOI. Unit 3 is also subject to New Source Performance Standards under 40 Code of Federal Regulations (CFR) 60, Subparts A, Da and Y. Title IV and Title V of the 1990 Clean Air Act apply to this modification and the Title V permit shall be amended prior to the operation of the Unit 3. Unit 3 boiler will be classified Group1, Phase II under the Acid Rain Program. The increment analysis indicated that the amount of PM10 24-hour increment consumed by the proposed project would be less than 50% of the standard; therefore, approval under Utah Administrative Code R307-401-6 (3) from the Utah Air Quality Board was not required. The IPP will meet all primary and secondary National Ambient Air Quality Standards (NAAQS). The IPP will also meet Class I increments in the National Parks in southern Utah and Class II PSD increments in the vicinity of the plant. IPP Unit 3 will have no adverse effect on air quality related values (including visibility) on any Class I areas.

The IPP is located in Millard County, an attainment area for all criteria pollutants.

Estimated potential to emit totals from Unit 3, in tons per year, are as follows:  $PM_{10}$  (filterable) = 496.5,  $NO_x = 2,775$ ,  $SO_2 = 3,567.5$ , CO = 5,946, VOC = 107, HAPs = 199

The project has been evaluated and found to be consistent with the requirements of the Utah Administrative Code Rule 307 (UAC R307). A public comment period was held in accordance with UAC R307-401-4 and comments were received. The comments were evaluated and the Approval Order was modified to incorporate those comments. This air quality Approval Order (AO) authorizes the project with the following conditions, and failure to comply with any of the conditions may constitute a violation of this order.

#### General Conditions:

1. This Approval Order (AO) applies to the following company:

Site Location Intermountain Power Service Corporation 850 West Brush Wellman Road Delta, UT 84624-9522 Corporate Office Location Intermountain Power Service Corporation 850 W. Brush Wellman Road Delta, UT 84624

Phone Number: (435) 864-4414 Fax Number: (435) 864-6670

The equipment listed in this AO shall be operated at the following location:

850 West Brush Wellman Road, Delta, Millard County, Utah

Universal Transverse Mercator (UTM) Coordinate System: datum NAD27 4,374.4 kilometers Northing, 364.2 kilometers Easting, Zone 12

- All definitions, terms, abbreviations, and references used in this AO conform to those used in the Utah Administrative Code (UAC) Rule 307 (R307) and Title 40 of the Code of Federal Regulations (40 CFR). Unless noted otherwise, references cited in these AO conditions refer to those rules.
- The limits set forth in this AO shall not be exceeded without prior approval in accordance with R307-401.
- Modifications to the equipment or processes approved by this AO that could affect the emissions covered by this AO must be reviewed and approved in accordance with R307-401-1.
- 5. All records referenced in this AO or in applicable NSPS and/or NESHAP and/or MACT standards, which are required to be kept by the owner/operator, shall be made available to the Executive Secretary or Executive Secretary's representative upon request, and the records shall include the five-year period prior to the date of the request. Records shall be kept for the following minimum periods:

Used oil consumption Five years

Emission inventories Five years from the due date of each statement.

or until the next inventory is due, whichever is

longer.

C. All other records Five years

- 6. Intermountain Power Service Corporation (IPSC) shall install and operate the nominal 950 gross-MW power generating Unit 3 with dry-bottom pulverized coal fired boiler and modified equipment associated with Unit 3, as defined by this AO, in accordance with the terms and conditions of this AO, which was written pursuant to IPSC's Notice of Intent submitted to the Division of Air Quality (DAQ) on December 16, 2002 and significant additional information provided throughout the process.
- The approved installations shall consist of the following equipment or equivalent\*:

 Unit 3 Dry-bottom Pulverized Coal Fired Boiler for base load operation with Overfire Air Ports System

Maximum Heat Input Rate: 9050 x 106 Btu/hr

Type of Burner: Ultra Low NO<sub>x</sub> Burners or equivalent

B. Unit 3 Main Boiler Stack

Stack Height: At least 712 feet, as measured from ground level at the base of the stack.

- C. Unit 3 Main Boiler Control Equipment:
  - C.1 Boiler Stack Fabric Filter Baghouse
  - C.2 Wet Limestone Flue Gas Desulfurization System (WFGD) built in redundancy
  - C.3 Selective Catalytic Reduction System with ammonia injection
- D. Two Unit 3 Cooling Towers, 3A and 3B, equipped with mechanical Mist Eliminators rated at 0.0005 percent circulating water drift loss.
- E. Unit 3 Coal Handling:
  - E.1 Modification of existing conveyors: higher capacity motors on Belts 7 and 8, Belts 9A/9B, 15A/15B expanded to 48"wide;
  - E.2 New Unit 3 36"wide Conveyors-16A/16B, 17A/17/B, en mass chain totally enclosed conveyors 301A/B, 302A/B, 303, 304, 305, and 306.
  - E.3 New Coal Transfer Building #5 with Dust Collector EP-127.
  - E.4 New Coal East Storage Silos 301, 302, 303, 304, and Coal East Storage Silo Bay Dust Collector EP-128.
  - E.5 New Coal West Storage Silos 305, 306, 307, 308 and Coal West Storage Silo Bay Dust Collector EP-129.
- F Unit 3 Fly Ash Handling Equipment: To convey Fly Ash from the fabric filter to the storage silo:
  - F.1 Fly Ash Storage Silo 1C with Sealed Loading Spout Vent Dust Collector EP-171
  - F.2 Fly Ash Storage Silo 1C with Vent Dust Collector EP-172
- Unit 3 Bottom Ash Handling System to convey bottom ash from boiler to storage area.
- H. Unit 3 Limestone Handling System for WFGD system

- Unit 3 WFGD Sludge Handling System
- J. Existing Auxiliary Boiler Modification: Installation of an extension on each boiler stack so that each stack height is at least 72 feet, as measured from the ground level at the base of the stack.
- K. Unit 3 Water Treatment Plant, Steam System, Turbine generator, and Air heaters\*\*
- \* Equivalency shall be determined by the Executive Secretary.
- \*\* This equipment is listed for informational purposes only. There are no emissions from this equipment.
- Intermountain Power Service Corporation shall notify the Executive Secretary in writing
  when the installation of the equipment listed in Condition #7 has been completed and is
  operational, as an initial compliance inspection is required. To insure proper credit when
  notifying the Executive Secretary, send your correspondence to the Executive Secretary,
  attn: Compliance Section.

If construction and/or installation has not been completed within eighteen months from the date of this AO, the Executive Secretary shall be notified in writing on the status of the construction and/or installation. At that time, the Executive Secretary shall require documentation of the continuous construction and/or installation of the operation and may revoke the AO in accordance with R307-401-11.

## Limitations and Tests Procedures

 Emissions to the atmosphere from the indicated emission point(s) shall not exceed the following rates and concentrations:

Source: Unit 3 Main Boile	r Stack, BACT/MACT	
Pollutant	Emission Rate (lb/MMBtu)	Averaging Period
SO <sub>2</sub>	0.10	24-hour block average
SO <sub>2</sub>	0.09	30-day rolling average
NO <sub>x</sub>	0.07	30-day rolling average
PM <sub>10</sub> (filterable)	0.012	3-test run average
PM (filterable)	0.013	3-test run average
CO	0.15	30-day rolling average
VOC	0.0027	3- test run average
H <sub>2</sub> SO <sub>4</sub>	0.0044	24-hour block average
Fluorides/HF	0.0005	3- test run average
Lead	0.00002	3- test run average
Hg- bituminous coal*	6 x 10 <sup>-6</sup> lb/ MWhr	12-month rolling average
Hg- subbituminous coal*	20 x 10 <sup>-6</sup> lb/ MWhr	12-month rolling average

Source: Unit 3 Main Boile	er Stack, Air Quality Modelin	g
Pollutant	Emission Rate (lb/hr)	Averaging Period
SO <sub>2</sub>	1,357.5	3-hour block average
NO,	633.5***	24-hour block average
PM <sub>10</sub> (filterable+condensable)	221***	24-hour block average**
CO	3,000	8-hour block average
HCL	38.13 lb/hr	3-test run average

<sup>\*</sup>If a blend of bituminous and subbituminous coals is used, the Hg emission limitation for the blend will be determined by 40 CFR 63.9990(a)(5) (Proposed Rules, Federal Register, Vol. 69, No. 20, January 30, 2004, pages 4720-4721).

 Stack testing to show compliance with the emission limitations stated in the above condition shall be performed as specified below:

Emissions Point	Pollutant	Testing Status	Test Frequency
Unit 3 Main Boiler Stack			
	PM (f)		
	NO,		
	CO		
	H <sub>2</sub> SO <sub>4</sub>		
	VOC	.Initial	Annual
	Fluorides/HF	.Initial	60-months
	Lead	.Initial	60-months
	HCI	Initial	60-months
	Hg	.Initial	Hg CEM***

f-filterable; c-condensible

A.

B. Testing Status (To be applied to the source listed above)

Initial: Initial compliance testing is required. The initial test date shall be performed as soon as possible and in no case later than 180 days after the start up of a new emission source.

<sup>\*\*</sup>Based on a 24-hour test run or any method approved by the Executive Secretary, which will provide 24-hour data.

<sup>\*\*\*</sup> During periods of startup and shutdown Condition 13 and Condition 24 shall apply.

24-hour block means the period of time between 12:01a.m. and 12:00 midnight.

8-hour block average means eight consecutive hours.

<sup>\*</sup>or may use CEM equivalent, such as parametric monitoring that may be approved by the Executive Secretary

<sup>\*\*</sup>or parametric monitoring that may be approved by the Executive Secretary

<sup>\*\*\* 40</sup> CFR 60, Appendix B, Performance Specification 12a (CEM) (Proposed Rules, Federal Register, Vol. 69, No. 20, January 30, 2004, page 4744) or 40 CFR 63, Appendix B, Method 324 (Sorbent Trap Sampling) (Proposed Rules, Federal Register, Vol. 69, No. 20, January 30, 2004, page 4736) or other testing methods that may be approved.

#### Records & Miscellaneous

- 24. At all times, including periods of startup, shutdown, and malfunction, owners and operators shall, to the extent practicable, maintain and operate any equipment approved under this Approval Order including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Executive Secretary which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, inspection of the source, and records required in Condition 13. All maintenance performed on equipment authorized by this AO shall be recorded.
- The owner/operator shall comply with R307-150 Series. Inventories, Testing and Monitoring.
- The owner/operator shall comply with R307-107. General Requirements: Unavoidable Breakdowns.

The Executive Secretary shall be notified in writing if the company is sold or changes its name.

Under R307-150-1, the Executive Secretary may require a source to submit an emission inventory for any full or partial year on reasonable notice.

This AO in no way releases the owner or operator from any liability for compliance with all other applicable federal, state, and local regulations including R307.

A copy of the rules, regulations and/or attachments addressed in this AO may be obtained by contacting the Division of Air Quality. The Utah Administrative Code R307 rules used by DAQ, the Notice of Intent (NOI) guide, and other air quality documents and forms may also be obtained on the Internet at the following web site: <a href="http://www.airquality.utah.gov/">http://www.airquality.utah.gov/</a>

The annual emissions estimations below are for the purpose of determining the applicability of Prevention of Significant Deterioration, non-attainment area, maintenance area, and Title V source requirements of the R307. They are not to be used for determining compliance.

The Potential to Emit (PTE) emissions for the entire Unit 3 operations are currently calculated at the following values:

	Pollutant	Tons/yr
A.	PM <sub>10</sub> (filterable)	496.5
B.	SO <sub>2</sub>	and the same termination
C.	NO <sub>x</sub>	2775
D.	CO	5946
E.	VOC	107
F.	H <sub>2</sub> SO <sub>4</sub>	174
G.	Lead	0.79
H.	Total Reduced Sulfur	29
L	Reduced Sulfur Compounds	29

# DAQE-AN0327010-04 Page 14

HAPs	
Mercury	0.0413
Hydrochloric Acid (HCL)	167.01
Fluorides/HF	20
Total HAPs	199

Approved By:

Richard W. Sprott, Executive Secretary Utah Air Quality Board

# EXHIBIT 2

PAUL M. McCONKIE #5881 CHRISTIAN C. STEPHENS #9068 Assistant Attorneys General MARK SHURTLEFF #4666 Utah Attorney General 160 East 300 South, 5th Floor P.O. Box 140873 Salt Lake City, Utah 84114-0873 (801) 366-0290 Counsel for the Executive Secretary, Air Quality Board of Utah

## BEFORE THE UTAH AIR QUALITY BOARD

In the Matter of:

Unit 3, Intermountain Power Service Corporation, Millard County, Utah DAQE-AN0327010-04 EXECUTIVE SECRETARY'S IDEN'TIFICATION OF THE ADMINISTRATIVE RECORD

The Executive Secretary has identified the documents in the attached index as the Executive Secretary's Administrative Record in the above-captioned matter as of January 4, 2007, the date of the Executive Secretary's Response to Sierra Club's Amended Request for Agency Action.

As of today's date, the documents are available to all parties for inspection and copying at the Department of Environmental Quality, Division of Air Quality, 150 North 1950 West, Bldg #1, Salt Lake City, Utah.

Dated this 6 7th day of FERWAY , 2007.

Paul M. McConkie

Christian C. Stephens

Assistant Attorneys General, for

the Executive Secretary

#### In the Matter of:

## AGENCY ADMINISTRATIVE RECORD

#### Abbreviations used:

DAQ is the Division of Air Quality

IPSC is the Intermountain Power Service Corporation

DEQ is the Department of Environmental Quality

IPA is the Intermountain Power Agency

BLM is the Bureau of Land Management

IPP is the Intermountain Power Project

NPS is the National Park Service

Record Description	Date	Added to Record By	Record page [IPSC]
Letter to Rand Crafts, IPSC, from Tom Orth, Air Quality Modeler, Technical Analysis Section, DAQ	08/01/01	DAQ	0001
Proposed Protocol for a Class II Area Air Quality Modeling Analysis of the Intermountain Power Project Unit #3 Project prepared by CH2M Hill on behalf of Intermountain Power Agency	02/14/02	DAQ	0002-0028
Letter to Rand J. Crafts, IPSC, from Tom Orth, Air Quality Modeler, Technical Analysis Section, DAQ re Review of the modeling protocol for the proposed IPSC - 875 megawatt coal-fired power generation Unit #3 near Delta, Utah	02/27/02	DAQ	0029
Air Quality Criteria for Oxides of Nitrogen Summary of Vegetation Impacts [presentation made by Jon Knodel EPA region VII]	05/13/02	DAQ	0030-0039
Attendance list IPA/UDAQ Meeting	10/22/02	DAQ	0040
Performance Audits of Air Quality Equipment at the Intermountain Power Service Corporation Delta, Utah Monitoring Station prepared for Intermountain Power by Meteorological Solutions Inc.	10/02	DAQ	0041-0071
Letter to Tom Orth, DAQ, from James (Josh) Nall, Air Quality Meteorologist, CH2M Hill re CALPUFF Modeling Files for the IPP Unit #3 Project	11/20/02	DAQ	0072-0077
Letter to Rand Crafts, IPSC from James [Josh] Nall, Air Quality Meteorologist, CH2M Hill re IPP Over- Fire Air Project: Carbon Monoxide Impacts	11/25/02	DAQ	0078-0086

Record Description	Date	Added to Record By	Record page [IPSC]
Summary of Meteorological and Air Quality Data at Intermountain Power Service Corporation's Delta, Utah Monitoring Station July, 2001 - October, 2002 Appendices A-D prepared by Meteorological Solutions Inc. on behalf of Intermountain Power	11/02	DAQ	0087-0460
IPA Pre-NOI Meeting: Class 1 Area Impacts Agenda and attendance list	12/06/02	DAQ	0461-0462
Notice of Intent, Intermountain Power Project Proposed Unit 3, prepared for IPSC by CH2M Hill. [Entire NOI resubmitted on May 14, 2003 with some supplements. In May 2004 the NOI was supplemented to consolidate technical documents in the Appendix I (Technology Discussion)]	12/02	DAQ	0463-1326
Email to Robert Pearson, CH2M Hill, from Don Shepherd, NPS re Coal-fires Utilities Projects - 11/4/02	12/10/02	DAQ	1327
Letter to William Wagner, Bureau of Land Management, Dennis Haddow, U.S. Forest Service and Don Shepherd, NPS, from Milka M. Radulovic, Environmental Engineer III, New Source Review Section re Notice of Intent for Intermountain Power Project Unit 3 Project Code: N0327-010 (December 2002 NOI not included)	12/26/02	DAQ	1328-1342
DVD - Intermountain Power Plant Unit 3 Modeling Files	Undated	DAQ	1343
Email to Kevin Golden, EPA from Tom Orth, DAQ re IPP - Unit 3	01/10/03	DAQ	1344
Letter to Jan Sensibaugh, Director, Montana Department of Environmental Quality, from Craig Manson, Assistant Secretary for Fish and Wildlife and Parks, United States Department of the Interior re Class I Modeling Protocol	01/10/03	DAQ	1345-1346
Emails between Tom Orth and Kevin Golden, EPA re Intermountain Power Plant - Unit 3	01/13/03	DAQ	1347
White Paper entitled Utah Need Not Follow FLAG Modeling Guidelines Where it Does Not Meet Utah's Policy Choices or Where it Lacks Technical Integrity re Class I Modeling Protocol	undated	DAQ	1348-1354
Agenda IPP Unit #3 DAQ NOI Review Meeting 1	01/16/03	DAQ	1355-1357
Email to Tom Orth from Dave Prey re IPP3 Project:	01/22/03	DAQ	1358

Record Description	Date	Added to Record By	Record page [IPSC]
Basis for ISC and CALPUFF Emission Rates providing comments			
Email to Tom Orth from Josh Nall, CH2M Hill re IPP3 Project: Basis for ISC and CALPUFF Emission Rates	01/23/03	DAQ	1359-1368
Letter to Lynn Menlove, DAQ, from Bill Hauze, QEP, Monitoring Services Manager re questions about the IPSC data report, with enclosed Memo dated July 23, 2002, to George, Linda, Leona, Mike, IPSC file from Bill, Meteorological Solutions Inc. re IPP Precipitation Gauge [letter inadvertently dated January 24, 2002 - should likely have been January 24, 2003 as it was received by DAQ on January 28, 2003]	01/24/03	DAQ	1369-1371
Letter to Lance C. Lee, P.E., Unit 3 Feasibility Manager, IPA, from Tom Orth, Air Quality Modeling Consultant, Technical Analysis Section	03/14/03	DAQ	1372-1376
Wasatch Clean Air Coalition, Utah Chapter Sierra Club, Great Basin Foundation, Rocky Mountain Office of Environmental Defense, Land and Water Fund of the Rockies, Clean Air Task Force Comments on IPSC Notice of Intent for Intermountain Power Project (Dec. 2002) submitted to Rick Sprott, Director, DAQ	04/14/03	DAQ	1377-1529
Letter to Tom Orth, DAQ, from Lance C. Lee, Unit 3 Feasibility Manager, IPA, re Response to UDAQ Comments on Dispersion Modeling for the IPP Unit #3 Project (IPP3)	04/25/03	DAQ	1530-1536
Email to Milka Radulovic (DAQ) from Mike Owens (EPA) re National Coal-Fired Utility NSR Projects Spreadsheet Update	05/16/03	DAQ	1537-1539
Letter to Rick Sprott, Director, DAQ from Reed Searle, IPA, re Replacement Graphics for IPP NOI Addendum submitted on May 14, 2003 (Graphics not included - see NOI)	05/27/03	DAQ	1540-1541
Letters to Kate Kitchell, BLM, Don Shepherd, National Park Services, Chris Hocket, U.S. Forest Service and Mike Owens, Air and Radiation Program, EPA from Milka M. Radulovic (DAQ) re Addendum to the Notice of Intent for IPP Proposed Unit 3 (Addendum to NOI not included - see NOI)	05/29/03	DAQ	1542-1549

Record Description	Date	Added to Record By	Record page [IPSC]
Letter to Rick Sprott, Director, DAQ from Lance C. Lee, IPP Unit 3 Feasibility Manager, IPA re Replacement Sections and Files for the IPP NOI Addendum submitted on May 14, 2003 (Sections not included - see electronic modeling files)	06/18/03	DAQ	1550-1568
Letters to Don Shepherd, NPS, Kate Kitchell, BLM, Chris Hocket, U.S. Forest Service and Mike Owens, Air and Radiation Program, EPA Region 8, from Milka M. Radulovic, DAQ re Replacement Sections and Files for the IPP NOI Addendum Dated May 14, 2003 (Replacements not included - see NOI)	06/20/03	DAQ	1569-1572
Letter to Brock LeBaron, Manager, Technical Analysis Section, DAQ, from Lance C. Lee, Unit 3 Feasibility Manager, IPA, re IPP Unit 3 Utah County PM <sub>10</sub> Modeling and NAAQS Modeling for CO and NO <sub>2</sub>	06/30/03	DAQ	1573-1579
Email to Robert Bachman from Don Shepherd re Power Plant Information attaching Coal-fired Boiler Survey spreadsheets	07/28/03	DAQ	1580-1644
Letter to Brock LeBaron, Manager, Technical Analysis Section, DAQ, from Lance C. Lee, Unit 3 Feasibility Manager, IPA, re IPP Unit 3 Start-Up & Shut-Down Modeling	07/28/03	DAQ	1645-1650
Letter to Tom Orth, DAQ from James (Josh) Nall, Air Quality Meteorologist, CH2M Hill, re Start-Up Modeling Files for the IPP Unit #3 Project	07/29/03	DAQ	1651-1652
Letter to Brock LeBaron, DAQ, from James (Josh) Nall, CH2M Hill re IPP Unit 3 Utah County PM <sub>10</sub> Modeling	07/31/03	DAQ	1653-1656
Email to Milka Radulovic from Don Shepherd re WYGEN2 baghouse efficiency	08/11/03	DAQ	1657-1658
Email to Milka Radulovic from Don Shepherd re WYGEN2 baghouse efficiency	08/12/03	DAQ	1659-1660
Report entitled PM <sub>10</sub> Impacts in the Utah County PM <sub>10</sub> Nonattainment Area Using Calpuff and No Chemical Transformation	10/16/03	DAQ	1661-1725
Email to Milka Radulovic from Don Shepherd re IPP #3 PM cost analysis	10/28/03	DAQ	1726-1727

Record Description	Date	Added to Record By	Record page [IPSC]
Letter to Brock LeBaron, Modeling Section Manager, DAQ, from Lance Lee, IPP Unit 3 Feasibility Manager, IPA, re Replacement Sections and Files for the IPP NOI Addendum submitted on May 14, 2003 (Replacement Sections and Files not included - see NOI)	10/31/03	DAQ	1728
Email to Milka Radulovic from Don Shepherd re Mustang BACT review by NM	11/03/03	DAQ	1729-1733
Technical Memorandum IPP3 Project CALPUFF: Observed Weather Conditions for Days with Natural Obscuration prepared by Josh Nall, Bob Pearson, CH2M Hill	11/06/03	DAQ	1734-1745
Email to Milka Radulovic from Joe Hammond, CH2M Hill re BACT	11/13/03	DAQ	1746-1747
Letter to Chris Shaver, Director, NPS, Attention: Mr. Don Shepherd, Chris Hocket, State and Private Forestry, U.S. Forest Service, Mike Owens, Air and Radiation Program, EPA Region 8 and Kate Kitchell, BLM, from Milka M. Radulovic, New Source Review Section re Replacement Sections and Files for the Notice of Intent Dated May 14, 2003, for IPP to Add Unit 3 (Replacement sections and files not included see NOI)	11/18/03	DAQ	1748-1755
Email to Milka Radulovic from Kenneth J. Snell, Sargent & Lundy LLC re SO2 Control Efficiency	11/19/03	DAQ	1756-1763
Letter to Reed T. Searle, IPA from Richard W. Sprott, Executive Secretary, Utah Air Quality Board providing list of items currently considered unresolved for the Unit #3 PSD permit	11/24/03	DAQ	1764-1766
Email to Don Shepherd, NPS from Milka Radulovic re SO2 Efficiency	11/24/03	DAQ	1767-1774
Letter to Brock LeBaron, DAQ, from James (Josh) Nall, CH2M Hill re IPP3: Revised Cumulative Class I Increment Modeling	12/16/03	DAQ	1775-1778
Memorandum to Permitting and Planning Branches from Richard W. Sprott re Utah Division of Air Quality (UDAQ) Class I Significant Impact Levels	12/16/03	DAQ	1779-1780
Letter to Richard Sprott, Director, DAQ from Reed T. Searle, General Manager, IPA re IPA IPP Unit 3	12/23/03	DAQ	1781-1919

Record Description	Date	Added to Record By	Record page [IPSC]
[addressing visibility impacts of the IPP Unit 3]			
Memorandum to Milka Radulovic, NSR Engineer, from Tom Orth, Air Quality Modeler re Modeling Analysis Review for the Intermountain Power Association-Over-Fired Air Modification to Unit 1 and 2 - Delta, Utah	12/31/03	DAQ	1920-1924
Memorandum to Milka Radulovic, NSR Engineer, from Tom Orth, Air Quality Modeler re Modeling Analysis Review for the IPA - IPP Unit 3 Addition - Delta, Utah	01/13/04	DAQ	1925-1935
Memorandum to Permitting and Planning Branches from Richard W. Sprott, Director, re Significant Impact Levels for the National Ambient Air Quality Standards and Prevention of Significant Deterioration Class II Analyses	02/27/04	DAQ	1936-1937
DAQ Modified Source Plan Review	03/22/04	DAQ	1938-2110
Letter to Rick Sprott, Director, DAQ, from John Bunyak, Chief, Policy Planning and Permit Review Branch submitting comments	03/25/04	DAQ	2111-2128
Legal Notice of Intent to Approve	03/26/04	DAQ	2129-2132
Letter to Rick Sprott, Director, DAQ, from Jack M. Daly, Project Director	03/26/04	DAQ	2133-2153
Email to Milka Radulovic from Stephen Sands, CH2M Hill re IPP White Papers for NOI Appendix I	03/26/04	DAQ	2154-2157
Letter to George W. Cross, IPSC from Rusty Ruby re Intent to Approve: PSD Major Modification to Add New Unit 3 at Intermountain Power Generating Station, Millard County, Utah CDS-A, ATT, NSPS, Hap's, MACT, Title IV, Title V Major. Project Code: N0327-010	04/01/04	DAQ	2158-2171
Emails from Milka Radulovic to Don Shepherd, NPS, and Mike Owens, EPA re IPP Unit 3 (Attachment not included - see record numbers 1938-2110 & 2158- 2171)	04/02/04	DAQ	2172-2173

Record Description	Date	Added to Record By	Record page [IPSC]
Letter to Chris Shaver, Director, NPS, Chris Hocket, State and Private Forestry, U.S. Forest Service, Mike Owens, Air and Radiation Program, EPA Region 8 and Kate Kitchell, BLM from Milka M. Radulovic, New Source Review Section, DAQ re Intent to Approve, Engineering Review for Intermountain Power Service Corporation Unit 3 Addition and the Intermountain Power Plant in Delta, Utah (Attachment not included see record numbers 1938-2110 & 2158-2171)	04/02/04	DAQ	2174-2177
Letter to Rick Sprott, Director, DAQ, from Joro Walker, Esq., Western Resource Advocates re Request for a 20-day Extension of the Public Comment Period on UDAQ's Intent to Approve a PSD Major Modification to Add New Unit 3 at IPP	04/06/04	DAQ	2178
Public Hearing Comments	04/04	DAQ	2179-2280
Legal Notice of Extension of Comment Period	04/15/04	DAQ	2281-2283
Legal Notice of Public Hearing	04/15/04	DAQ	2284-2287
Emails from Milka Radulovic to Don Shepherd, NPS, and Mike Owens, EPA re: Fwd: Three Documents - all Notices to the Millard Chronicle Paper (not included - see record numbers 2129-2132 & 2281-2287)	04/20/04	DAQ	2288-2290
Agenda and Public Hearing Comments re Public Hearing Intent to Approve-IPSC April 29, 2004	04/29/04	DAQ	2291-2312
Public Comment email to Milka Radulovic from Jim Hill re In Favor of IPP Expansion	05/05/04	DAQ	2313
Public Comment email to Milka Radulovic from Jane Beckwith re IPP air quality	05/05/04	DAQ	2314
Comment letter from Ed Phillips, Millard County Sheriff and Citizen, Millard County, Office of the Sheriff	05/05/04	DAQ	2315-2316
Letter to Rick Sprott, Director, DAQ, DEQ, from Stephen Sands, II, P.E., Project Manager re Applicability of EPA's New Modeling Rule Policy to Intermountain Power Project Unit 3 Expansion	05/11/04	DAQ	2317-2348
Comments UGW	05/20/04	DAQ	2349-3356
Letter to Rick Sprott, Director, DAQ, DEQ, from Robert L. Pearson, Ph.D. PE, Vice President, CH2M Hill re Response to National Park Service's Comments on IPP Unit 3 FLAG Modeling	05/21/04	DAQ	3357-3363

Record Description	Date	Added to Record By	Record page [IPSC]
Letter to Milka Radulovic, Permit Review Engineer, DAQ, from CH2M Hill re IPA/IPSC Comments on IPP Unit 3 Intent to Approve Number DAQE-IN0327010- 04, Modified Source Plan Review and the Testimony of Other Parties Submitted During Public Comment	05/21/04	DAQ	3364-3395
Letter to Milka Radulovic, Permit Review Engineer, DAQ, from George W. Cross, President & Chief Operations Officer, IPSC re IPSC Comments on Unit 3 Approval Order	05/21/04	DAQ	3396-3400
Email to Milka Radulovic from Cynthia Cody, EPA re extension EPA Comments on Intermountain Power Generating Station	05/21/04	DAQ	3401
Letter to Richard W. Sprott, Executive Secretary, Utah Air Quality Board, from Matthew F. McNulty, III, VanCott re Comments on Intent to Approve PSD Major Modification to Add New Unit 3 at Intermountain Power Generating Station DAQE- IN0327010-04	05/21/04	DAQ	3402-3406
Email to Richard Sprott from Mike Owens, EPA EPA comment letter on IPP Unit 3 draft PSD permit	05/24/04	DAQ	3407-3416
Letter to Rick Sprott, Director, DAQ, from Richard R. Long, Director, Air & Radiation Program re Comments on Intent-to-Approve for Unit 3 at Intermountain Power Generating Station	05/24/04	DAQ	3417-3425
Legal Notice of Intent to Approve	05/27/04	DAQ	3426-3433
NPS Comments	05/27/04	DAQ	3434-3461
Letter to Rick Sprott, Director, DAQ, from Congressman Rob Bishop	06/02/04	DAQ	3462
Letter to Mike Owens, EPA - Region 8, from Ed Thatcher, V.P. Engineering	06/09/04	DAQ	3463-3470
Email to Bill Maxwell, EPA from Milka Radulovic re Hg MACT	06/11/04	DAQ	3471
Email to Milka Radulovic from Bill Maxwell, EPA re Hg MACT	06/14/04	DAQ	3472-3475
Email to Brock LeBaron from Tom Orth re IPP Meeting	06/14/04	DAQ	3476-3478
NPS Comments	various	DAQ	3479-3546

Record Description	Date	Added to Record By	Record page [IPSC]
Utah Chapter of Sierra Club, Wasatch Clean Air Coalition, Grand Canyon Trust, Rocky Mountain Office of Environmental Defense, Western Resource Advocates, Clean Air Task Force Supplemental Comments on Intent to Approve DAQE-IN0327010-04 (IPP) and DAQE-IN2529001-04 (Nevco)	06/30/04	DAQ	3547-3714
Letter to Rick Sprott, Director, DAQ, DEQ, from Stephen C. Sands, II, P.E., Project Manager, CH2M Hill re Additional Documents Regarding the Intermountain Power Project Unit 3 Expansion	07/02/04	DAQ	3715-3768
Emails between Milka Radulovic and Bill Maxwell, EPA re Case-by case MACT for 14 HAPs (other than Hg or Ni)	07/04	DAQ	3769-3771
Letter to Rick Sprott, Executive Secretary, DAQ, from James (Josh) Nall, CH2M Hill re Revised PM-10 Increment Modeling for IPP3	07/14/04	DAQ	3772-3775
Utah Chapter of Sierra Club, Wasatch Clean Air Coalition, Grand Canyon Trust, Rocky Mountain Office of Environmental Defense, Western Resource Advocates, Clean Air Task Force Second Supplemental Comment Letter on Intent to Approve DAQE-IN0327010-04 (IPP) and DAQE-IN2529001-04 (Nevco)	07/16/04	DAQ	3776-3872
Email to Milka Radulovic from Don Shepherd, NPS re IPP3 comments	07/30/04	DAQ	3873-3874
IPSC Public Comment Response submitted to Rick Sprott, Executive Secretary, DAQ, UDEQ, by Stephen C. Sands, II, P.E., CH2M Hill on behalf of IPSC	08/24/04	DAQ	3875-4121
Technical Memorandum IPP: Analysis of Cumulative PM10 Increment Consumption Modeling Approach	08/25/04	DAQ	4122-4149
Letter to Reed T. Searle, General Manager, IPA, from Richard W. Sprott, Executive Secretary, Utah Air Quality Board	08/25/04	DAQ	4150
Letter to Rick Sprott, Executive Secretary, DAQ, from Stephen C. Sands, II, P.E., Project Manager, CH2M Hill re IPP Unit 3 Permit Provision governing excess emissions	08/25/04	DAQ	4151-4196

Record Description	Date	Added to Record By	Record page [IPSC]
Letter Milka Radulovic, DAQ, UDEQ from Stephen C. Sands II, Project Manager, CH2M Hill re IPP3: Economic Report and References for Impacts to Soils and Vegetation	09/14/04	DAQ	4197-4226
Letter to Milka Radulovic, DAQ, UDEQ from Stephen C. Sands II, Project Manager, CH2M Hill re IPP Response to Public Comments on Unit 3 Impacts to Soils and Vegetation	09/22/04	DAQ	4227-4288
Email to R Ruby and R Dolsen, from Stephen Sands, CH2M Hill re IPP Mobile Source Emission Rates	10/07/04	DAQ	4289
Memorandum to IPSC File (N327010) from Milka Radulovic, Environmental Engineer, through Rusty Ruby, NSR Section Manager re Response to Comments received on IPSC Intent to Approve number DAOE-IN327010-04	10/14/04	DAQ	4290-4330
Letter to George W. Cross, IPSC from Richard W. Sprott, Executive Secretary, Utah Air Quality Board re Approval Order: PSD Major Modification to Add New Unit 3 at Intermountain Power Generating Station, Millard County, Utah CDS-A, ATT, NSPS, Hap's, MACT, Title IV, Title V Major. Project Code: N0327-010	10/15/04	DAQ	4331-4345
Memorandum to IPSC File (N327010) through Cheryl Heying, Manager, Planning Branch, Brock LeBaron, Manager, Technical Analysis Section from Tom Orth, Air Quality Modeler re Technical Analysis' response to comments received on IPSC's Intent to Approve number DAQE-IN327010-04	10/15/04	DAQ	4346-4360
Letter to Richard Sprott, Executive Secretary, Air Quality Board, from George W. Cross, President & Chief Operations Officer & Responsible Official re Request for Agency Action - Appeal of IPSC Approval Order DAQE-AN032010-04	11/12/04	DAQ	4361-4367
Request for Agency Action - Western Resource Advocates	11/15/04	DAQ	4368-4384
Statement of Standing and Petition to Intervene - Western Resource Advocates	11/15/04	DAQ	4385-4397
Affidavit of Ray Bloxham	11/10/04	DAQ	4398-4402
Affidavit of Stephen Trimble	11/15/04	DAQ	4403-4408

Record Description	Date	Added to Record By	Record page [IPSC]
Affidavit of Brian Cass	11/10/04	DAQ	4409-4413
Letter to Rick Sprott, DAQ, from Reed Searle, General Manager, IPA re IPP Unit's PSD Permit-Approval Order-Title V Permit Informal Consultation under Section 7, Endangered Species Act (ESA)	12/17/04	DAQ	4414-4423
Intermountain Power Unit 3: Review of Past and Current Environmental Conditions in the Project Area prepared for Hogan & Hartson LLP by ERM	12/04	DAQ	4424-4435
EPA Fact Sheet: Prevention of Significant Deterioration: Proposed Rule to Address Emissions of Nitrogen Oxides in Clean Air Areas	03/08/05	DAQ	4436-4438
Letter to Richard Sprott, Executive Secretary, DAQ, DEQ, from George W. Cross, President and Chief Operations Officer and Responsible Official, IPSC re Fugitive Dust Control Plan for Intermountain Generating Station Unit 3 Under Approval Order DAQE-AN0327010-04	04/28/05	DAQ	4439-4451
Order Regarding Parties' Joint Stipulation for Disposition of This Contested Case, Parties' Joint Stipulation for Disposition of This Contested Case with Appendix A Approval Order incorporating the terms of the Joint Stipulation approved by Order of the Air Quality Board on September 7, 2005	09/08/05	DAQ	4452-4472
Letter to Rick Sprott, DAQ, from Douglas O. Hunter, Chairman, Unit 3 Development Committee re Engineering and Procurement of IPSC Unit 3 Boiler- Supercritical	08/04/06	DAQ	4473-4477
Letter to Doug Hunter, Chairman, Unit 3 Development Committee, from Richard W. Sprott, Executive Secretary, Air Quality Board, re Equivalency Determination for the IPSC Unit 3 Pulverized Coal (PC) Fired Boiler	08/17/06	DAQ	4478-4483
Letter to Rick Sprott, Executive Director, DAQ, from Joro Walker for Utah Chapter of the Sierra Club and Grand Canyon Trust re DAQ approval of the IPSC request to change Unit 3 boiler technology	11/13/06	DAQ	4484-4485
Email to Blaine Rawson, Fred Nelson, Chris Stephens from Joro Walker, Western Resources re IPSC Unit 3 Project changes	11/14/06	DAQ	4486-4487

Record Description	Date	Added to Record By	Record page [IPSC]
Letter to Joro Walker, Western Resource Advocates from Christian C. Stephens and Paul M. McConkie, Assistant Attorneys General re WRA Letter Requesting Public Comment on DAQ's Approval or IPSC's Request to Change Unit 3 Boiler Technology	11/15/06	DAQ	4488-4490
Request for Agency Action [First Amended Request for Agency Action or, in the Alternative, Second Request for Agency Action]	11/15/06	DAQ	4491-4512
IPSC's Opposition/Response to Sierra Club's Amended Request for Agency Action	01/02/07	DAQ	4513-4528
Executive Secretary's Response to Sierra Club's Amended Request for Agency Action	01/04/07	DAQ	4529-4544

## CERTIFICATE OF SERVICE

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# **EXHIBIT 3**

# IPP Response to Public Comments Received by UDAQ on the Draft Approval Order IPP Unit 3

August 2004

# Comment 4: UDAQ and IPSC should have considered a supercritical pulverized coal boiler for the new unit

Comment 4.1: UDAQ and IPSC should have also considered the construction of a supercritical pulverized coal boiler, rather than the planned subcritical pulverized coal boiler. Supercritical boilers are up to 7% or more efficient than subcritical boilers. Thus, supercritical boilers use less fuel and emit less carbon dioxide emissions. Further, such supercritical boilers achieve up to 17% lower emission rates of carbon monoxide (CO), nitrogen oxides (NO<sub>x</sub>) and sulfur oxides (SO<sub>x</sub>), as well as up to 15% lower PM emission rates. For example, Steag has recently submitted a PSD permit application to the U.S. EPA for a supercritical boiler that would achieve an emission limit for SO<sub>2</sub> of .06 lbs/MMbtu on a 30 day rolling average (attached). This SO<sub>2</sub> emission limit is significantly lower than that being proposed by IPP and can be attributed at least in part to the employment of a supercritical boiler. Xcel Energy is also considering the construction of a supercritical boiler for new proposed unit at its Comanche plant in Pueblo, Colorado. Thus, UDAQ and IPSC should have evaluated the installation of a supercritical boiler at IPP Unit 3 as an inherently lower emitting process as part of its BACT determination.

#### IPP Response 4.1:

- In the conceptual design phase of the project, IPSC evaluated supercritical boilers and concluded an
  additional subcritical boiler was more appropriate based on safety, environmental, and economic
  considerations.
- The existing units are subcritical and will share a common control room.
- Having two different operating cycles could pose problems with safe operation of the units if operators switch from one unit to the other.
- If operators are dedicated to the new unit only, additional staff will be required.
- Maintenance practices will differ due to different equipment and materials.
- The steam cycle for the subcritical boiler as proposed will be only 2 to 3 percent higher in heat rate than supercritical cycle.
- The statement that supercritical boilers are up to 7 percent or more efficient than subcritical boilers is inaccurate and is based on a comparison of old subcritical cycles with newer supercritical cycles.
- When new subcritical units use higher steam conditions and the 8th feedwater heater, the heat rate
  improves to approximately 2 to 3 percent of the heat rate achieved by a supercritical cycle.
- Units 1 and 2 are also advanced cycle (8th feedwater heater) designs that have demonstrated reliable performance over the past 20 years.
- The slight difference in heat rate is not sufficient to warrant a different cycle for Unit 3.
- With the low proposed emission limits for SO<sub>2</sub>, NO<sub>x</sub>, and particulates, the actual reduction in tons
  per year does not warrant the increase in capital costs, safety, and equipment compatibility issues
  associated with a supercritical boiler.
- There now is one unit with the newer supercritical boiler design under construction in the U.S. It is at the Council Bluff's site for MidAmerica and it is scheduled for mid-2007 startup.
- There are reliability concerns with supercritical in favor of subcritical boiler designs.

# **EXHIBIT 4**

# Memorandum

To: Intermountain Power Service Corporation (IPSC) File (N327010)

From: Milka Radulovic, Environmental Engineer

Rusty Ruby, NSR Section Manager, Regg Olsen, Permitting Branch Manager Through: Rusty Ruby, NSR Section Manager,

Date: October 14, 2004

Re: Response to Comments received on IPSC Intent to Approve number

DAQE- IN327010-04

On April 1, 2004, a public comment period began to solicit comments on Intent to Approve (ITA) Intermountain Power Service Corporation's (IPSC) addition of New Unit 3 at their existing Intermountain Power Plant (IPP), located in Delta, Millard County, Utah. The IPSC proposed an electricity-generating unit with a pulverized coal fired boiler to provide 950 MW gross (900 MW net nominal) of electrical power. At the Millard County Economic Development Director's request a public hearing was held on April 29, 2004. The public hearing found overwhelming support for the new unit from the local population, medical and educational community.

In accordance with public request, the comment period was extended by twenty one (21) days.

On June 3, 2004, an additional 30-day comment period was started, to address shortcomings in the previous public notice of April 1, 2004.

Numerous comments were received, both during the comment period and at the public hearing. All comments received during the two public comment periods and the public hearing are listed here, with the original comments being included as an attachment. Following each comment is the Utah Division of Air Quality's (UDAQ) response, along with any action taken by the Division in regards to the final Approval Order (AO).

Quoted items are taken verbatim from the original comment submission. If the comment was unclear, UDAQ attempted to explain the comment as understood by the Division.

UDAQ responded to the following comments:

Comments made during the public comment periods (PCP) from April 1 to May 21 and from June 3 to July 3, 2004, and the public hearing (PH) of April 29, 2004.

Comments by Utah Chapter Sierra Club. Wasatch Clean Air Coalition, Grand Canyon Trust, Rocky Mountain Office of Environmental Defense, Western Resource Advocates, and Clean Air Task Force of May 20, 2004 (UWG). Our responses to UWG comments of May 20, 2004 also provide, by reference, responses to UWG comments of April 14, 2003. On April 14, 2003, UWG submitted comments regarding the December 23, 2002 Notice of Intent (NOI) for the IPP Unit 3. However, the IPP Unit 3 project was not available for public comment until April 1, 2004. Nevertheless, UDAQ has considered these comments as well.

In other recent applications for coal-fired units, the permitting authorities have not requested the applicants include in their BACT analysis production processes different than the proposed one. These states are Kansas, Missouri, Montana, Wyoming, Kentucky, Wisconsin, Arkansas and West Virginia. Also, as mentioned previously, although not required, the applicant provided and we reviewed a detailed analysis of IGCC.

#### Comment #14

"IPP failed to correctly address IGCC in the BACT analysis and the permit must be denied. A properly conducted BACT analysis shows IGCC is BACT for the IPP project." (UWG, p.8)

#### Response

UDAQ has reviewed this issue in light of the comment. As discussed in the response to Comment #12 above, UDAQ has concluded that IGCC has been properly addressed. Additionally, a revised top-down analysis, though not required, has been provided by IPP. This analysis shows that IGCC would not be appropriate for the IPP project.

#### Comment #15

"UDAQ and IPSC should have considered a supercritical pulverized coal boiler for the new unit." (UWG, p.22)

#### Response

UDAQ has reviewed this issue in light of the comment. Based on all available information and the discussion above, UDAQ has concluded that supercritical pulverized coal boilers have been considered appropriately. Additionally, a top-down analysis including supercritical boiler technology, though not required, was provided. That analysis shows that supercritical boilers would not be appropriate for the IPP project. Also, supercritical boilers are no more effective than sate-of-the-art subcritical boilers in controlling emissions of regulated pollutants. At this point in time, the new emission limits for the IPP Unit 3 are the most stringent emission limits, that we are aware of, imposed by any permit, granted or pending, for a pulverized coal-fired boiler in the U.S.A.., whether subcritical or supercritical. For example, see the proposed emission limits for supercritical boilers in three recently issued or pending permits: MidAmerican Energy, Longview Power, and Elm Road.

The paper by Bartolomei, referenced in the comment, provides information on expected rates and not on emission limits. In addition, the statements by Bartolomei are opinions and not commercial offers backed-up by guaranties. Thus, they are not properly part of a BACT analysis except for general information.

The commenter points out the proposed emission limits for the planned Steag facility to reinforce their comment. We have reviewed the PSD permit application for Steag Power's Desert Rock Energy facility and there are some issues that we point out regarding this application. First, this is only an application; the permitting process is in a very early stage. Obviously, the existence of a permit application, with no issued permit and no facility, does not provide any information that is informative as to technical feasibility and achievability of a particular emission limit. Second, the application seems to be substantially inconsistent regarding the sulfur dioxide emission limits. For example, we find the following statement on page 4-11: "Steag is proposing to limit SO<sub>2</sub>